

Perspectives

FOR ACTIVE
MEMBERS
OF THE
NORTH DAKOTA
PUBLIC
EMPLOYEES
RETIREMENT
SYSTEM

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NDPERS Welcomes CIGNA HealthCare as Our New Dental Provider

Effective January 1, 2007 CIGNA HealthCare will provide dental plan benefits to NDPERS members. The dental plan is available only to active state and university system employees and eligible retirees. CIGNA HealthCare is providing dental coverage with lower premiums, they have eliminated the \$10 per visit copayment, all waiting periods, and have increased the coverage level to pay at the 90th percentile of 'reasonable and customary' charges. WOW!

If you are currently participating in the NDPERS dental plan (ING Employee Benefits) your plan participation will automatically transfer to CIGNA HealthCare on January 1, 2007. You will receive a new dental plan handbook and ID card(s) before January 1, 2007. You will also receive additional information via postal mail regarding 'work in progress' and how it will be handled at the time of the transition.

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New Service for FlexComp Plan Participants

If you are on the PeopleSoft Payroll System, your account status is now available online.

If you are enrolled in the State of North Dakota FlexComp plan, you can now view your account activity for the medical and dependent care spending accounts by using the PeopleSoft portal. As a result, effective October 1, 2006 NDPERS is no longer printing or mailing quarterly

statements. To access the Portal, click on the link on the OMB Home Page at <http://nd.gov/omb>. Then enter your network (NDGOV) sign on ID and (NDGOV) password in the PeopleSoft Screen. The My Benefits link on the Enterprise Menu provides you with information about the State sponsored benefits that you are enrolled in and links those benefits to sources of further information.

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Annual Enrollment Season – 2007 Plan Year

The Annual Enrollment Season will run from Monday, October 23 through Monday, November 13, 2006. You will receive an Annual Enrollment Season postcard scheduled to be mailed the week prior to the start of the enrollment season. The postcard will direct you to the NDPERS website to obtain enrollment information. The NDPERS Annual Enrollment Season gives you the opportunity to:

- enroll in insurance plans that you do not currently participate in
- add dependents
- increase coverage levels
- enroll in the NDPERS Flexcomp plan for 2007

NDPERS Annual Enrollment contains information regarding the NDPERS Flexcomp, health, life, dental, vision and long term care insurance plans. Enrollment forms will need to be accessed via the PERS website or your payroll office.

New Investment Options Added

The NDPERS Board has approved the addition of two new Fidelity Freedom Funds® to the core funds lineup for the 457 Companion Plan and 401(a) Defined Contribution Plan.

- Fidelity Freedom 2045 FundSM
- Fidelity Freedom 2050 FundSM

The Fidelity Freedom Funds are investment options that allow the investor to select the fund that best matches his or her expected retirement year. They are designed for investors who want a simple yet diversified approach to investing for their retirement. The goal of the funds is to seek high total returns until the target retirement date. Thereafter, each fund's goal will be to seek high current income and, as a secondary objective, capital appreciation.

If you would like more information on the Fidelity Freedom Funds® or any of the investment options available in your 457 Companion Plan or 401(a) defined contribution plan, contact Fidelity at 1-800-343-0860 or visit Fidelity NetBenefits® at www.fidelity.com/atwork

Building Your Future Financial Security

A Message from North Dakota Securities Commissioner Karen Tyler

In the last issue of *PERSpectives* readers were provided several excellent reasons to contribute to the state sponsored deferred compensation plan: deferral of income tax, paying yourself first, automatic deductions, and automatic enrollment in the Portability Enhancement Provision. In this issue I submit, from a regulator's perspective, another important (if not critical) reason to contribute: securing the ability to make significant personal financial decisions, as you approach and enter retirement, from a position of financial strength versus financial vulnerability.

The Senior segment of our population is increasingly targeted with fraudulent investments and unsuitable securities sales. As Seniors enter into and manage their retirement, many face the most difficult personal financial decisions of their lifetime. Results of a recent survey of state securities regulators across the country identified that 45% of investor complaints received by securities regulators came from Seniors. While investment scams can be emotionally and financially devastating for victims of all ages, Seniors are particularly hard hit. Investment scams can wipe out a lifetime of savings and Seniors may have few or no working years ahead to recover from their losses.

Following close on the heels of Seniors are the Baby Boomers, the first of whom turned 60 this year. Over the next 20 years an estimated 77 million Americans will reach this milestone. They currently control 8.5 trillion dollars of investible assets,

and are expected to inherit 7 trillion more. To be sure, this wealth is not evenly distributed, and they stand in varying degrees of retirement preparedness – the majority of them at present ill-prepared.

Deficiencies in retirement preparedness can lead to decision making from a perspective of desperation, anxiety over the need to “catch up”, and a willingness to set aside skepticism and believe the too-good-to-be-true sales pitches promising sky high investment returns with little or no risk. Financial con criminals and unscrupulous salespeople stand ready to capitalize on the retiree's fear of outliving retirement assets.

No matter your age or career stage, you can take action to build your future financial security. Maximize the benefit of the retirement savings alternatives provided by your employer, such as the deferred compensation plan, arm yourself with financial education, and always check the background of anyone offering financial advice or making investment recommendations BEFORE you do business.

The North Dakota Securities Department protects North Dakotans who purchase investment advice and securities. Contact the Department to check the licensing status and background of an investment professional or investment firm.

701-328-2910
800-297-5124
ndsecurities@nd.gov

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New Service for FlexComp Plan Participants

The link to your Flexible Spending Account information will provide you with your FlexComp account summary including your Annual Pledge, Account Balance, Claims Activity, Claims History and Payment History.

We encourage you to become familiar with this new service by using the PeopleSoft portal to view your FlexComp account information. If you do not have internet access, you may contact the NDPERS office for assistance.

NDPERS Online Services

SCOPE OF SERVICES

If you participate in the NDPERS group retirement plan, you may access the following account information:

- Retirement Benefit Estimates
- Disability Benefit Estimates
- Member Account Balance
- Current Annual Statement

Accessing Your Account

Prior to accessing NDPERS On-line Services, you must have a North Dakota Logon ID. The North Dakota Logon ID will allow you to access various services. Registration is a ONE-TIME PROCESS to ensure the security and privacy of NDPERS member information.

How To Register

Go to www.nd.gov/ndpers and select "Register for Logon "ID" under ONLINE SERVICES. If you need assistance, contact NDPERS at ndpers-info@nd.gov.

If You are Already Registered

If you are already registered and have obtained your North Dakota Logon ID, you do not need to register again. To access your individual retirement account, please go to www.nd.gov/ndpers and select "Log On" under ONLINE SERVICES.

If you have forgotten your Logon ID or password, just follow the on-screen instructions.

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New Dental Provider

If you do not currently participate in the dental plan, you will have the opportunity to enroll during the NDPERS Annual Enrollment Season which begins on Monday, October 23 and ends on Monday, November 13, 2006.

If you are currently participating in the NDPERS dental plan (ING Employee

ON-LINE OPTIONS

Calculate Retirement & Disability Benefits:

This feature allows you to calculate and print your future retirement and long-term disability benefits by using your demographics retrieved from your NDPERS account. This feature allows you to set retirement or disability variables based on your individual needs.

Account Balance:

This allows you to view and print your current member account balance. This also features the taxable and non-taxable portion of your account balance

Annual Statements:

This allows you to view and print your "Annual Statement of Accounts" for the current fiscal year.

View Retirement Plan:

This provides a link to your retirement plan handbook.

View Portability Enhancement Provision (PEP) Brochure:

This is an educational piece on the NDPERS PEP program.

Other On-Line Features:

Most of the on-line services contain pop-ups and links to provide you with direction and explanation of the different components of your benefits.

Benefits) your plan participation will automatically transfer to CIGNA HealthCare on January 1, 2007. You will receive new dental plan handbook and ID card(s) before January 1, 2007. You will also receive additional information via postal mail regarding 'work in progress' and how it will be handled at the time of the transition.

**NDPERS
Online
Services**



www.nd.gov/ndpers

OTHER WEBSITE FEATURES

You also have access to plan information on all NDPERS benefits, Perspectives Newsletters, News Flashes, Forms and Publications, and Contact Information.

EPO PARTICIPANTS

Out of Area Waivers

Please remember to fill out the Health Benefit Plan Affiliation and Out-of-Area Waiver form if you have signed up for the EPO (Exclusive Provider Organization). You or your living, covered spouse's eligible dependant children are eligible for this waiver if:

- They are residing at a facility for children with disabilities or other special needs (Anne Carlson School, etc.);
- They reside outside the Network Service Area and you or your living, covered spouse are required by court order to provide health coverage for them; or
- They are full-time students residing outside the Network Service Area and are financially dependant on you or your living, covered spouse.

The waiver form is available on the NDPERS web site at www.nd.gov/ndpers

Want to Quit?

Consider the NDPERS Smoking Cessation Program

If you are a smoker or tobacco user and want to quit, this program is for you.



The North Dakota Public Employees Retirement System received a grant to help state employees and their dependents age 18 and older quit smoking or chewing tobacco. The grant will help pay for participating in one of more than 20 approved smoking cessation programs. Most of these programs are available through public health departments across the state of North Dakota. This project is administered by Blue Cross Blue Shield of North Dakota.

Who is eligible?

All current state employees and their dependents age 18 and older, have NDPERS health coverage, who smoke or chew tobacco and want to quit are eligible to participate. County, city and other members of the NDPERS group are not eligible through this project; however, smoking cessation funds may be available at the local level.

What will be provided?

An initial assessment will determine how ready you are to quit, your smoking or chewing triggers and what type of nicotine replacement therapy, such as patches or gum, and/or prescription medication you may need. If prescription medication is recommended, you will need to visit your doctor. In addition, individual, group or telephone counseling will be provided. Your program provider will call you on a quarterly basis to monitor your progress the first year after you quit.

How long do the programs take?

Most of the approved programs are eight weeks.

How do I get started?

You may start anytime during the enrollment period: September 1, 2005 to April 30, 2007.

Grant money will reimburse the smoking cessation provider \$200 after you complete the eight-week program. This covers the initial assessment, counseling and follow-up. If you decide to try the North Dakota Quitline, the program will reimburse you for the office visit, if you need to make one, and your prescription and over-the-counter medications.

The program will pay 100 percent of your out-of-pocket expenses for your office visit and prescription and over-the-counter medication up to \$500, for a total benefit of \$700 (see chart below). The program will end April 30, 2007. The program provider may charge additional fees for counseling services. Ask your program provider for details prior to enrolling.

Who do I contact to enroll or if I have questions?

Contact BCBSND at 1-800-223-1704 or (701) 282-1400 if calling from the Fargo area.

How do I enroll?

Find a provider in your area. This information is available on the NDPERS web site home page at www.nd.gov/ndpers and click on the Quit poster on our home page. When you make your initial visit to the cessation program in your area, please contact BCBSND with your enrollment information at the phone number listed above. Once eligibility is verified, you will then receive a smoking cessation program identification card to use when you visit your doctor and when you buy medications. Be sure to show this identification card to your health care professional.

- Your doctor should submit the office visit claim to the address shown on the back of the identification card.
- Prescription and over-the-counter medications will require payment at the pharmacy. Keep your receipts and send them to BCBSND for reimbursement of your claims.

If you choose to enroll in the Quitline cessation program, please call BCBSND at the phone number listed above. Eligibility for the program will be verified and a smoking cessation identification card will be sent to you. Use the identification card when you purchase medications.

- Prescription and over-the-counter medications will require payment at the pharmacy. Keep your receipts and send them to BCBSND at the address shown on the back of the identification card for reimbursement of your claims.

Smoking cessation counseling:	\$ 200.00
Office visit, RX and over the counter medications:	100% up to \$500.00
Total:	\$700.00

How's your Health?

The following program is available to active employees and their dependents, employees and dependents on COBRA continuation, and pre-Medicare employees and their dependents.

Welcome! As an NDPERS Group Health Plan member, you have been invited to take part in MyHealthConnection program to help you improve your personal health management. This program offers many handy tools.

The first step is to take the “How’s Your Health” health survey. Upon completion, you’ll receive a Personal Health Status report. This personalized report gives valuable insights into your overall health and highlights any potential risk factors. In it you will discover:

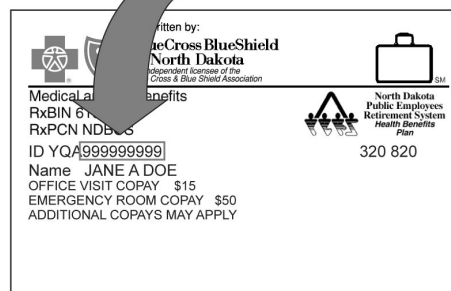
- What you are doing well to manage your health
- Indications of possible health issues you might be having
- Areas of your health that you may want to share with your doctor
- Resources that may help you better manage your own health

How do I get started with my health survey?

1. Login to the Blue Cross Blue Shield of North Dakota Dialog CenterSM Web site at www.thedialogcenter.com/bcbsnd.

If you have not previously done so, you must first activate your account by clicking on the “Go to Registration Page” and following the registration instructions. Have your NDPERS member ID card in hand as you will need to provide your member ID and name exactly as they appear on your NDPERS member ID card. If you experience any difficulty, click on the “Click for Help” link from the registration page.

Your member ID should be a total of 9 digits (leave off “ID” and “YQA” or any other characters before you see your member ID)



2. Take the health survey. To begin, click on the “Health Tools” tab, then “Health Survey” and “Take a New Survey.” There, you will find the “How’s Your Health” survey.
 - ☐ Be sure to select the “Save my results” option before clicking “Begin.”
 - ☐ You must complete the entire survey. **You will not be credited with completing the survey until you click the “Continue” button on the last question asking for your zip code.**
3. Review your generated Personal Health Status report. We suggest you print it and discuss it with your doctor on your next visit. Often, that helps people to better communicate with their health care providers and to improve their doctor visits.

Remember as an NDPERS member, you have access to a “MyHealthConnection” Health Coach 24 hours a day, 7 days a week, to answer your health questions or concerns. To contact a Health Coach, dial toll free 1-800-658-2750, or send a secure message by clicking on the “Dialog Room” tab in the Dialog CenterSM Web site.

Thank you for your participation in this valuable program!

If You Plan to Visit The NDPERS Office...

Please make an appointment for counseling services if you want to meet with a PERS staff member to discuss your retirement options and or any of the benefit programs administered by this office. Although staff will accommodate walk-ins when possible, an appointment will ensure that someone is available to assist you at the time you arrive. An appointment also allows staff to prepare the appropriate benefit information to respond to your individual needs and to ensure that the time spent is productive.

Deferred Compensation Limits for 2007

Effective January 1, 2007, the annual maximum allowable limit for the deferred compensation plan will increase from \$15,000 to \$15,500. The age 50 or older annual catch up will remain at \$5,000. If you are eligible for the age 50+ catch up, the annual maximum allowable limit is \$20,500.

If you wish to take advantage of the new limit, please remember you must complete a Participation Agreement for Salary Reduction SFN 3803 and submit it no later than December 15, 2006 to be effective for the January payroll.

The articles and opinions in this publication are for general information only and are not intended to provide specific advice or recommendations for any individual. We suggest that you consult your attorney, accountant, financial or tax advisor with regard to your individual situation. This newsletter is available in alternate formats upon request. Printed on recycled paper.